GOVERNMENT OF INDIA
MICRO,SMALL AND MEDIUM ENTERPRISES
LOK SABHA

UNSTARRED QUESTION NO:829
ANSWERED ON:21.11.2016
Promotion of Khadi in Foreign Countries
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Will the Minister of MICRO,SMALL AND MEDIUM ENTERPRISES be pleased to state:

(a) whether the Government has made any effort to find out/explore Khadi market in foreign countries;

(b) if so, the details and the outcome thereof;

(c) the further action plan prepared by the Government on the basis of such outcome; and

(d) the details of the initiative taken by the Government to implement the said action plan?

Answer

MINISTER OF STATE IN THE MINISTRY OF
MICRO, SMALL AND MEDIUM ENTERPRISES
(SHRI GIRIRAJ SINGH)

(a)&(b): Yes Madam. The Ministry of Commerce & Industry has given the status of deemed Export Promotion Council (EPC) to Khadi and Village Industries Commission (KVIC) for supporting the introduction of Khadi & Village Industries (KVI) products in international market. 1064 Khadi and Village Industries Institutions and Rural Employment Generation Programme (REGP)/Prime Minister's Employment Generation Programme (PMEGP) units have taken its membership to enter the field of export. The following steps have been taken to boost the export of Khadi and Village Industries product:

1. Participation of KVIC in India International Trade Fair (IITF) organized by ITPO.
2. Organizing Export promotion workshops.
3. Participation of KVIC in international exhibitions.
4. Assistance would be provided under the Market Promotion and Development Assistance (MPDA) Scheme to the eligible Khadi and Village Industries (KVI) Institutions for participation in International Exhibitions/Trade Fairs held in foreign countries in order to showcase KVI products to foreign countries, access international buyers and sellers and forge business alliances, etc.

The eligible items for such participation and the scale of assistance would be as under:

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S.No. Eligible items Scale of assistance
i) Space Rent For KVIs −
100% of the space rent subject to a maximum of Rs.1.00 lakh or actual rent paid, whichever is lower (for one representative from each participating enterprise)
ii) Air Fare For KVIs −
100% of the Economy Class air fare subject to a maximum of Rs.1.50 lakh or actual fare paid, whichever is lower (for one representative from each participating enterprise)
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5. Export incentive of 5% of Freight On Board (FOB) value of direct export of Khadi products is provided to KVI institutions/units registered with KVIC. Besides, KVIC has also been focusing on quality participation in International Exhibitions and Buyer-Seller Meets abroad to tap new/emerging markets for Khadi products.
6. KVIC has applied to register "Khadi" as a word mark and "Khadi India" as a Trade mark in 27 classes for various products among 45 classes listed out in the IPR Act at National Level as well as has filed an online application for registering "Khadi" as a trade mark under International bureau in European Union and other countries under 16 different class.
7. The export value of KVI items has been increasing over the last three years which can be seen from the below table:
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Year Export value of KVI items
(Rs. in crore)
2013-14 114.58
2014-15 124.39
2015-16(P) 139.00
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(c)&(d): Further initiatives being taken by the government are as follows:

1. KVIC is participating in 36th IITF-2016 organized by India Trade Promotion Organization (ITPO) at New Delhi from 14 - 27

November, 2016.
2. Two proposals suggesting participation in International Exhibitions to be held in Italy and Bahrain have been received from KVIC.
3. A list of International fairs to be participated by KVIC during the year 2016-17 is placed at Annexure-I.
4. KVIC has issued a Request for Proposal (RFP) for conducting Market Research Study through a professional agency for export of KVI products.